

RECORDATION NO.

27347-A  
FILED

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APR 25 '08 -8 00 AM

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

April 25, 2008

Anne K. Quinlan, Esquire  
Acting Secretary  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of April 8, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Mortgage previously filed with the Board under Recordation Number 27347.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC  
2 Harrison Street  
San Francisco, CA 94105

Lessee: CTS Cement  
11065 Knott Avenue, Suite A  
Cypress, CA 90630

Anne K. Quinlan, Esquire  
April 25, 2008  
Page 2

A description of the railroad equipment covered by the enclosed document is:

15 covered hopper railcars: BNBX 122380 - BNBX 122394.


A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

  
Robert W. Alvord

RWA/sem  
Enclosures

APR 25 '08 -8 00 AM

## MEMORANDUM OF FULL SERVICE RAILCAR LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 8<sup>th</sup> day of April, 2008, to that certain Master Full Service Railcar Lease dated as of April 8, 2008, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and CTS CEMENT, a Nevada corporation (the "Lessee"), pursuant to which Schedule No. 01 has been executed, is made by the Lessor and the Lessee (the Lessor and together with the Lessee, the "Parties").

## KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Parties entered into that certain Master Full Service Railcar Lease dated as of April 8, 2008 and that certain Schedule No. 01 thereto dated as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

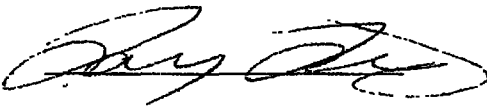
NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By:   
Name: Larry Littlefield  
Title: Vice President  
Date: 4/8/08

CTS CEMENT, as Lessee

By:   
Name: W.R. McCormick  
Title: President  
Date: 4/2/2008

STATE OF New York

SS:  
COUNTY OF New York

On 4/8, 2008, before me, Indra Bedasie, Notary Public, personally appeared Larry Littlejohn personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



INDRA BEDASIE  
Notary Public, State of New York  
No. 01BE6014602  
Qualified in Queens County  
Certificate Filed in New York County  
Commission Expires October 19, 2010

STATE OF California;

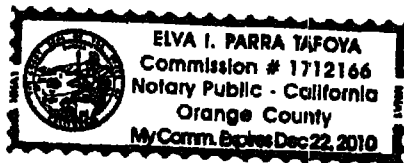
) SS:

COUNTY OF Orange;

On April 2, 2008, before me, Elva Parra Tafuya, Notary Public, personally appeared William R. McCumk, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s); or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Elva Parra Tafuya



Subj: CTS Cement - STB filing re: 15 cars  
Date: 4/24/2008 7:38:00 P.M. Eastern Daylight Time  
From: [Indra.Bedasie@babcockbrown.com](mailto:Indra.Bedasie@babcockbrown.com)  
To: [&apos;alvordlaw@aol.com&apos;](mailto:&apos;alvordlaw@aol.com&apos;)  
CC: [Janice.Wickham@babcockbrown.com](mailto:Janice.Wickham@babcockbrown.com)

Dear Bob,

Kindly arrange to have the attached Memorandum recorded with the Surface Transportation Board as soon as possible. Please note we will not require an opinion. Once recorded, kindly forward a copy for our file.

Please do not hesitate to contact me if you have any questions.

Thank you,  
Indra

Indra Bedasie  
1 Dag Hammarskjold Plaza,  
885 Second Ave, New York, NY 10017  
Tel.: (212) 796-3902  
Fax: (212) 230-0733  
E-mail: [Indra.Bedasie@babcockbrown.com](mailto:Indra.Bedasie@babcockbrown.com)



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Friday, April 25, 2008 AOL: AlvordLaw

**EXHIBIT A**

**MEMORANDUM OF FULL SERVICE RAILCAR LEASE**


<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
Fifteen (15)	Pressure Differential Covered hoppers, 3230 CF, AAR Car Type Code C612, built by Trinity North American Freight Car in 2007	BNBX 122380 – 122394, inclusive



**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 4/25/08

  
\_\_\_\_\_  
Robert W. Alvord